



**State of Connecticut
Office of Health Care Access
Letter of Intent/Waiver Form
Form 2030**

RECEIVED
 2005 DEC 14
 HEALTH CARE ACCESS
 DIVISION

All Applicants must complete a Letter of Intent (LOI) form prior to submitting a Certificate of Need application, pursuant to Sections 19a-638 and 19a-639 of the Connecticut General Statutes and Section 19a-643-79 of OHCA's Regulations. Please submit this form to the Commissioner of the Office of Health Care Access, 410 Capitol Avenue, MS# 13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

SECTION I. APPLICANT INFORMATION

If there are more than two Applicants, please attach a separate sheet of paper and provide additional information in the format below.

	Applicant One	Applicant Two
Full legal name	Jefferson X-Ray Group P.C.	
Doing Business As		
Name of Parent Corporation		
Mailing Address, if Post Office Box, include a street mailing address for Certified Mail	704 Hebron Avenue Suite 100 Glastonbury, CT 06033	
Applicant type (e.g., profit/non-profit)	For-profit professional corporation	
Contact person, including title or position	Jean Conover Chief Financial Officer	
Contact person's street mailing address	111 Founders Plaza Suite 400 East Hartford, CT 06108	

Contact person's phone #, fax # and
e-mail address

(860) 291-6511 (PH)
(860) 291-6594 (Fax)
Jconover@JXray.com

SECTION II. GENERAL APPLICATION INFORMATION

a. Proposal/Project Title:

Replacement of single slice CT scanner with a 16-slice PET-CT scanner

b. Type of Proposal, please check all that apply:

- ☐ Change in Facility (F), Service (S) or Function (Fnc) pursuant to Section 19a-638, C.G.S.:
- ☐ New (F, S, Fnc) ☐ Replacement ☐ Additional (F, S, Fnc)
- ☐ Expansion (F, S, Fnc) ☐ Relocation ☐ Service Termination
- ☐ Bed Addition ☐ Bed Reduction ☐ Change in Ownership/Control
- ☒ Capital Expenditure/Cost, pursuant to Section 19a-639, C.G.S.:
- ☐ Project expenditure/cost cost greater than \$ 1,000,000
- ☒ Equipment Acquisition greater than \$ 400,000
- ☒ New ☒ Replacement ☐ Major Medical
- ☐ Imaging ☐ Linear Accelerator
- ☐ Change in ownership or control, pursuant to Section 19a-639 C.G.S., resulting in a capital expenditure over \$1,000,000

c. Location of proposal (Town including street address):

704 Hebron Avenue, Suite 100, Glastonbury, CT 06033

d. List all the municipalities this project is intended to serve:

The municipalities this project is intended to serve include individuals requiring either a PET-CT or CT scan who live in the following towns: Glastonbury, East Hartford, Manchester, Wethersfield, South Windsor, Colchester, and Hebron.

Secondary service area towns include Vernon, Rocky Hill, Marlborough, East Hampton, Newington, Coventry, Hartford, Portland and Windsor.

- e. Estimated starting date for the project: **October 2006**
- f. Type of project: **20 & 21** (Fill in the appropriate number(s) from page 7 of this form)

Number of Beds (to be completed if changes are proposed)

Type	Existing Staffed	Existing Licensed	Proposed Increase (Decrease)	Proposed Total Licensed
N/A				

SECTION III. ESTIMATED CAPITAL EXPENDITURE INFORMATION

- a. Estimated Total Capital Expenditure: **\$3,227,729**
- b. Please provide the following breakdown as appropriate:

Construction/Renovations	\$267,000
Medical Equipment (Purchase)	\$86,400
Imaging Equipment (Purchase)	
Non-Medical Equipment (Purchase)	
Sales Tax	\$167,588
Delivery & Installation	
Total Capital Expenditure	\$520,988
Fair Market Value of Leased Equipment	\$2,706,741
Total Capital Cost	\$3,227,729

Major Medical and/or Imaging equipment acquisition:

Equipment Type	Name	Model	Number of Units	Cost per unit
General Electric	16 Slice PET-CT Scanner	Discovery ST16	1	\$2,706,741

MedRad	Injector System	Stellant	1	\$26,400
TBD	Rubidium Injector Cart		1	\$60,000

Note: Provide a copy of the contract with the vendor for major medical/imaging equipment. Copies of vendor quotes are provided in **Attachment I**.

c. Type of financing or funding source (more than one can be checked):

- ☐ Applicant's Equity
 ☒ Lease Financing
 ☐ Conventional Loan
☐ Charitable Contributions
 ☐ CHEFA Financing
 ☐ Grant Funding
☐ Funded Depreciation
 ☐ Other (specify): _____

SECTION IV. PROJECT DESCRIPTION

Please attach a separate 8.5" X 11" sheet(s) of paper and provide no more than a 2 page description of the proposed project, highlighting all the important aspects of the proposed project. Please be sure to address the following (if applicable):

1. Currently what types of services are being provided? If applicable, provide a copy of each Department of Public Health license held by the Petitioner.
2. What types of services are being proposed and what DPH licensure categories will be sought, if applicable?
3. Who is the current population served and who is the target population to be served?
4. Identify any unmet need and how this project will fulfill that need.
5. Are there any similar existing service providers in the proposed geographic area?
6. What is the effect of this project on the health care delivery system in the State of Connecticut?
7. Who will be responsible for providing the service?
8. Who are the payers of this service?

If requesting a Waiver of a Certificate of Need, please complete Section V.

SECTION V. WAIVER OF CON FOR REPLACEMENT EQUIPMENT

I may be eligible for a waiver from the Certificate of Need process because of the following:
(Please check all that apply)

- ☐ This request is for Replacement Equipment.
 - ☐ The original equipment was authorized by the Commission/OHCA in Docket Number: _____.
 - ☐ The cost of the equipment is not to exceed \$2,000,000.
 - ☐ The cost of the replacement equipment does not exceed the original cost increased by 10% per year.

Please complete the attached affidavit for Section V only.

AFFIDAVIT

Applicant: Jefferson X-Ray Group, P.C.

Project Title: Replacement of single slice CT scanner with 16-slice PET-CT scanner

I, Jean Conover, Chief Financial Officer
(Name) (Position – CEO or CFO)

of Jefferson X-Ray Group, P.C. being duly sworn, depose and state that the

information provided in this CON Letter of Intent/Waiver Form (2030) is true and accurate to

the best of my knowledge, and that Jefferson X-Ray Group, P.C. complies with the appropriate and

(Facility Name)

applicable criteria as set forth in the Sections 19a-630, 19a-637, 19a-638, 19a-639, 19a-486

and/or 4-181 of the Connecticut General Statutes.

Jean L. Conover
Signature

December 8, 2005
Date

Subscribed and sworn to before me on December 8, 2005

Barbara B. Peracchio
Notary Public/Commissioner of Superior Court

My commission expires: _____



Barbara B. Peracchio
Notary Public, State of CT
My Commission Expires:
June 30, 2010

Project Type Listing

Please indicate the number or numbers of types of projects that apply to your request on the line provided on the Letter of Intent Form (Section II, page 2).

Inpatient

1. Cardiac Services
2. Hospice
3. Maternity
4. Med/ Surg.
5. Pediatrics
6. Rehabilitation Services
7. Transplantation Programs
8. Trauma Centers
9. Behavioral Health (Psychiatric and Substance Abuse Services)
10. Other Inpatient

Outpatient

11. Ambulatory Surgery Center
12. Birthing Centers
13. Oncology Services
14. Outpatient Rehabilitation Services
15. Paramedics Services
16. Primary Care Clinics
17. Urgent Care Units
18. Behavioral Health (Psychiatric and Substance Amuse Services)
19. MRI
20. CT Scanner
21. PET Scanner
22. Other Imaging Services
23. Lithotripsy
24. Mobile Services
25. Other Outpatient
26. Central Services Facility

Non-Clinical

27. Facility Development
28. Non-Medical Equipment
29. Land and Building Acquisitions
30. Organizational Structure (Mergers, Acquisitions, Affiliations, and Changes in Ownership)
31. Renovations
32. Other Non-Clinical

PROJECT DESCRIPTION

Jefferson X-Ray Group (JXR) is a group of 38 radiologists, offering sub-specialized diagnostic and interventional imaging services. All the physicians in JXR are licensed in the State of Connecticut and Board Certified. They are committed to delivering high quality radiology services. Jefferson X-Ray Group, established in 1963, is the largest radiology private practice group in Connecticut. The Group provides radiology services to Hartford Hospital, a premier tertiary care center in Hartford Connecticut, as well as Johnson Memorial Hospital in Stafford Springs, Connecticut, and Connecticut Children's Medical Center. Additionally, JXR has six private offices located in Avon, Glastonbury, Hartford, West Hartford, Enfield, and Wethersfield. JXR provides MRI, CT, ultrasound, mammography, nuclear medicine, and diagnostic imaging services. JXR prides itself on offering state of the art equipment, friendly and compassionate staff and a team of physicians dedicated to providing the highest quality of care.

The Glastonbury office currently offers all diagnostic imaging modalities including: CT, MRI (high field and open), ultrasound, digital mammography, nuclear medicine, fluoroscopy, bone densitometry (DEXA), diagnostic x-ray and vascular ultrasound. The CT scanner in the Glastonbury office is a single slice CT scanner that was purchased and installed in July of 2001. The cost of this scanner was below \$400,000 and therefore did not require CON approval. The equipment was financed through an operating lease which will expire in July of 2006. The equipment is approaching the end of its useful life, does not offer state-of-the-art features and functionality and needs to be replaced. JXR is requesting approval from the Office of Health Care Access (OHCA) to replace this scanner with a 16-slice PET-CT scanner which will be financed through a capital lease.

JXR has been providing CT services since 1982 and since 1995 in the Glastonbury office. The practice overall performs more than 20,000 CT scans. CT volumes in the Glastonbury office have grown from 2,600 in 2001 to more than 4,500 in 2004. Year to date volume for 2005 is projected to exceed 4,900 CT scans.

The decision to request a PET-CT scanner as the replacement equipment is based on several factors:

- ☐ The demand for PET and PET-CT is growing substantially throughout the United States and within Connecticut. PET and more recently PET-CT has the fastest procedure growth of all diagnostic imaging modalities. According to Frost and Sullivan and IMV, PET volume increased 156% between 2001 and 2002 and another 122% between 2002 and 2003. PET-CT scans are quickly becoming a routine part of diagnosis and treatment evaluation for a large number of cancer patients. This growth is in large part due to Medicare's continued expansion of covered diagnoses and conditions for PET. Additionally, CMS has expanded coverage for FDG-PET to include cancers and indications not presently eligible for Medicare reimbursement if referring physicians provide data to a clinical registry. Therefore, the number of PET-CT scans is expected to increase even more dramatically.
- ☐ JXR offers all other forms of imaging which are used in diagnosis and monitoring of oncology patients and the addition of PET-CT scanning capabilities to the practice will greatly enhance the quality of care offered to JXR's patients. Many cancer patients require both a CT and PET scan to accurately diagnose their cancer. By offering both types of scans in a single device, taken simultaneously, patients are provided with the best technology and diagnostic capabilities. Physicians are embracing the technology and requesting its use more frequently. JXR's referring physicians have requested that the practice offer PET-CT services. JXR expects that a significant portion of its historical oncology related CT scans will be replaced with PET-CT scans.
- ☐ The need to correlate PET with CT has led to the development of fusion scanners. The patient receives a CT and PET scan in the same session and the resulting data are fused into a single

digital image. The image provides the clinician with both anatomic and functional information. PET and CT images taken simultaneously are more useful than separate images. Standalone PET is being replaced by PET-CT as the standard and preferred technology. The proposed equipment offers the ability to use it for combined PET-CT scans or strictly as a CT scanner. This level of flexibility and versatility makes this the best choice for JXR since it seeks to offer PET scanning and needs to upgrade a single slice CT scanner.

- ❑ Image speed and patient throughput are significantly increased with the fusion scanners. The average procedure time for the combined PET and CT image is approximately 22 minutes as opposed to twice that time to acquire just the PET image. Average image time does vary depending on the body area being scanned, but overall; the fusion scanner reduces scan time and improves patient throughput and overall efficiency.
- ❑ Based on requests and information from referring physicians, access to PET-CT services is limited for proposed service area residents. There are no PET-CT providers in any of the primary service area towns and only one part-time mobile PET scanner located in Manchester. The closest PET-CT services are in Hartford and require patients to travel into the city to one of the two very large hospitals to access this outpatient diagnostic imaging procedure. Additionally, Hartford Hospitals PET-CT scanner is currently approaching full capacity based on its current hours of operation.
- ❑ JXR's physicians have the training, knowledge and experience to provide high quality PET-CT services safely. Several physicians in the group have substantial experience reading PET and PET-CT scans and have been doing so at Hartford Hospital since it first began offering PET services. Three physicians in the practice are board certified in nuclear medicine. The practice also currently provides a number of nuclear medicine studies and is proficient in handling radiopharmaceuticals and following all safety policies and procedures. The practice is certified by the American College of Radiology for nuclear medicine.

The projected target population to be served includes primarily residents of: Glastonbury, East Hartford, Manchester, Wethersfield, South Windsor, Colchester, and Hebron. It is expected that residents from other area towns such as Vernon, Rocky Hill, Marlborough, East Hampton, Hartford, Newington, Coventry, Portland and Windsor will also utilize the proposed scanner when convenient. There are currently no providers of PET-CT services in the proposed primary service area. Manchester Hospital currently provides part-time mobile PET services and has submitted a letter of intent along with Insight Health Services to upgrade the mobile PET to a mobile PET-CT scanner; however it will still not offer daily service. The secondary service area includes two PET-CT providers in Hartford, a fixed unit at Hartford Hospital and a mobile unit at St. Francis Medical Center.

JXR will provide professional and technical CT services from its Glastonbury office. Payers of the service include all major third party payors and patients. JXR is a participating provider with most major insurance plans in Connecticut as well as Medicaid and Medicare. The proposed equipment will provide the practice with improved CT images, PET-CT images, faster throughput, and will have a positive impact on the quality of health care services provided in the proposed service area.

ATTACHMENT I

VENDOR QUOTES

Jefferson X-Ray, P.C.
Summary of Capital Costs
CT Replacement with PET-CT: Glastonbury Office

Base Scanner	2,133,519	As per quote dated Wed. Nov. 9, 2005
16 slice add on	250,000	
Total without options	2,383,519	

OPTIONS

Resp. Gating	44,480
Fusion PET/CT Software	24,240
Varian RPM Resp Gating	48,960
IVY ECG Monitor w/stand	18,962
PET/CT Gating Interface	6,480
EKG Simulator	820
Cardiac PET CT Software/Hardware	145,440
Multi Format Color Printer	33,840
Subtotal Options	323,222

Total GE Quote	2,706,741
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Injector	26,400	As per quote dated Wed. Nov. 23, 2005
Rubidium Injector Cart	60,000	

Construction	267,000
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GRAND TOTAL	<u>3,060,141</u>
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Sales Tax (6%) - on equipment	167,588.47
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Total with Tax	3,227,730
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GE Healthcare

Preliminary Proposal

To: JEFFERSON X-RAY GROUP
85 SEYMOUR ST #200
Hartford, CT 06106

From: Rachel Del Mauro
1400 Computer Drive
Westborough, MA 01581-5088
(508) 870-5200

KTMC34.FVT01 Wednesday, November 09, 2005

<u>Qty</u>	<u>Catalog#</u>	<u>Description</u>	<u>Price</u>
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Discovery ST PETCT System with 4 Slice CT and Options for 8 Slice and 16 Slice

Base System

1	S9114LA	Discovery ST4 PET/CT Scanner	
1	P5052PS	DISCOVERY UPS	
1	E8690AD	E8690AD	
1	P5051RK	A1 Disconnect Box - 110A/60Hz	

Performance

1	B7500PL	ConnectPro HIS/RIS Interface Option for LightSpeed with Linux	
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ConnectPro Offers New Levels of Productivity to LightSpeed Users by Providing a Connection Between the Facilities Hospital (HIS) or Radiology (RIS) Information System. ConnectPro Simplifies and Eliminates Errors in Patient Data Entry.

Advantage Windows Workstation for PETCT Review and Analysis

1	S9100WA	The Advantage Workstation 4.2 is the platform with exceptional stability, quality and flexibility to deliver multi-modality image management, review, comparison and processing with simplicity and power.	
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Powerful software is optimized for state-of-the-art technology to provide modularity and leading edge performance. The AW 4.2 software includes:

- o Volume Viewer: the 3D software package that includes Volume Rendering, Volume Analysis, Navigator and other 3D visualization and analysis tools

- o Advanced X-ray Analysis: designed to accommodate routine and special procedures, this provides tools specifically for the review of DICOM X-ray images.
- o 2D image viewer that displays RT, CT, MR, CR X-Ray (Angio and R&F), Digital X-Ray (DX), MG, NM, PET, U/S, Secondary Capture, Secondary Capture Color DICOM Image Objects
- o Filmer: the multimedia export tool that creates standard or free-format electronic films in DICOM SR that can be saved, networked or printed to a DICOM, DICOM color or a supported postscript printer. Electronic films can also be exported out of the DICOM environment in a variety of multimedia formats (HTML, PDF, JPEG, PNG, MPEG, AVI, QuickTime® VR).

This Package contains:

- o AW4.2 operating platform, Patient List, database, and DICOM networking
- o Volume Viewer (VA, VR, Navigator)
- o 2D Viewer
- o Filmer
- o Data Export
- o Advanced X-ray Analysis
- o Two 18" flat panel monitors
- o HP Xw8000 Workstation:
 - Dual Intel® Xeon Processor 2 x 3.06GHz CPU
clock speed, 512KB cache per CPU
 - 2GB RAM (expandable to 4GB)
 - 2 x 73 GB: Ultra320 SCSI 15,000rpm hard disks (120 GB can be used for image storage)
 - Internal CD-ROM burner (40x read/write)
for DICOM media interchange and writing of DataExport electronic films
 - 10/100/1000 base-T network interface
 - US PS2 and mechanical 3-button mouse
 - 3 ½ inch floppy drive for service use and preset archive capability

****DOES NOT INCLUDE AUTOBONE SOFTWARE**

In addition to the AW Workstation, this combo includes a special configuration of the Xeleris PET View workstation designed to supplement the AW PET/CT functionality. Sharing the 2nd monitor of the AW (user may switch between AW or Xeleris on this monitor, but only one workstation may use the monitor at a given time), the Xeleris provides its own database and printing functionality as well as the following applications:

- o Myovation (TM) Cardiology Suite for PET
- o Volumetrix (TM) Tomography Suite for the Review of Single and/or Multi-modality Studies including NM, PET, SPECT/CT and PET/CT
- o Dynamic PET Analysis and Review

****DOES NOT INCLUDE NUCLEAR MEDICINE PROCESSING FUNCTIONALITY OR ARCHIVING CAPABILITIES OF THE FULL XELERIS PROCESSING AND REVIEW WORKSTATION.** Additional Xeleris software options may not be added to this configuration. If this functionality is desired, please purchase the Xeleris Full Processing and Review Workstation.

MedRad Injector

1 E8007ND

Features/Benefits

Stellant Dual injector head with Saline Flush Capability
 Test the injection prior to the procedure, with saline
 Timing bolus with saline flush
 Exclusive Automation Features
 Enhanced Patient Throughput Design
 Real Time Pressure Monitor Graph
 Real time flow profile view
 Scan & inject delay
 Color Touch Screen
 Prime button for automatically priming the tube, with saline
 Remote arming and remote check for air
 Quick and easy syringe installation with priming tube
 Syringe heater for maintaining contrast media at body temperature
 Pause option for programming pauses between phases
 PSI control for adjusting pressure settings to minimize catheter overload
 Customize protocols for 1 to 6 phases
 Counterpoise System means injector is mounted from ceiling maximizing CT room space

Specifications

014

Dual Injector head is 6.1"H x 12.1"W x 14.5" D, weight is 17.9 lb.
 Display Control unit with stand is 13.5"H x 12.5" W x 8.9"D, weight is 8.2 lb.
 Electronics Console is 11.5"H x 11"W x 8.8"D, weight is 13.6 lb.

Compatibility

Compatible with all GE CT scanners

Accessories

1 E8500NB Pinestar Patient Arm Support System for Nuclear, PET/CT, MRI

Flat Base, Coated Arm Support Combines Total Arm Support and Passive Restraint Increasing Patient Comfort During Extended Procedures. Velcro Mounted, Easily Cleaned, Compatible with Most Systems

Physician Master Series/Technologist Milwaukee Based Training

2 P5005LS PET / CT Master Series Training - Physician Tuition Only

Entitles one individual to attend PET / CT masters series course of five days at selected institutions in the US. Course includes: lectures, reading sessions, image interpretation sessions and access to workstation for hands on experience.

2 P5005LT PET/CT Masters Series - 2 Day

The 2-Day PET/CT Masers Series is Designed to Give Physicians an Avenue to Learn About Clinical PET/CT and Help Them Deliver Better Patient Care While Maximizing Productivity. These Classes are Balanced with Class Work, Image Interpretation and Small Class Sizes That Ensure Active Participation and are Taught by Leading Physicians and Scientists who Provide Instruction in PET and PET/CT Imaging.

- o Comprehensive Agenda
- o Read with the Experts
- o Hands-on Experience
- o Clinical Applications
- o PET/CT Technology
- o Radio Pharmacy
- o CME Credits (Scottsdale Medical Imaging Ltd. Offers 16 CME Credits)

Distance Learning Via CD Rom

1 R0853NT PET Oncology Fundamentals CD ROM Set - QTY of 5

1 R0857NT This catalogue number is for a quantity of 1. If you require more than this you may purchase R0858NT (quantity of 5) or R0859NT (quantity of 10) or adjust quantity to desired number.

This course, available to order on CD-ROM or as online Web course, is designed to introduce physicians to PET image interpretation. Detailed case studies presented by world-renowned PET experts demonstrate normal distribution of FDG, patient preparation, FDG administration and uptake phase, normal and post-therapeutic variants and artifacts, SUV analysis, clinical image interpretation for diagnosis, staging and restaging, and PET/CT study acquisition and normal and post-therapeutic variants. Course is delivered through asynchronous web-based platform. With the use of streaming video and audio, this platform leverages the video, text, graphics, case studies and CE testing to provide high quality education on demand. Also includes accompanying slides and text transcripts of the presentations which are time-coded and fully synchronized.

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- 1 R0743TP Principles of PET CT Imaging CD ROM

Nuclear/PET Training

- 2 W3007HC TiP HQ Class Discovery ST - Full Service

3.5 day TiP Discovery ST course held in the Milwaukee area. Includes travel and modest living expenses.

PET/CT Training

- 2 W0400NM PET

- 1 W0100CT 6 Day CT TiP Onsite System Training

CT Onsite Training for a new CT system

- o One 4 day onsite visit to coincide with system start-up
- o One 2 day onsite follow-up visit 6-8 weeks post system start up.

- 5 W0601PT 2 Days TiP Onsite Training Advantage Windows Workstation--PET

One 2 day TiP onsite visit for PET Advantage Windows Workstation training.

- 3 W0950PT PET Workstation TiP Virtual Assist 4 Hrs

4 hours of remote PET Workstation training using TiP Virtual Assist.

For 8 Slice CT Option ADD \$120,000.00 to the Total Net Selling Price For 16 Slice CT Option
ADD \$250,000 to the Total Net Selling Price

TOTAL NET EQUIPMENT SELLING PRICE

\$2,133,519.20

EQUIPMENT OPTIONS**Respiratory Gating/Radiation Therapy Planning**

1	S9111RG	Discovery Advantage 4D CT Respiratory Gating H2-16	\$44,480.00
		<p>Discovery Advantage 4D is a Non-invasive Software/Hardware Option That can be Used to Provide and Display CT Images of All Phases of a Breathing Cycle for the Evaluation of Respiration-induced Motion. The Software Will Allow the User to Retrospectively Define the Best Respiratory Phase From an Image Quality Standpoint, and Group Images by the Phase Selected. Discovery Advantage 4D can Also be Used for Target or Treatment Volume (DICOM Radiation Therapy Structure Sets) Verification.</p> <p>The Post Processing Software is Designed to Run on the Advantage Windows Workstation 4.1. It Performs the Following Functions:</p> <ol style="list-style-type: none"> 1. Examines the Motion Profile Generated by the Vendor Devices. 2. Sorts Images by the Phase of the Respiratory Cycle. Generates Multiple Phase Series for 2D, 3D and 4D Viewing. 3. Overlay a Single Contour Over the 4D Movie Loop for Accuracy Verification. <p>Pre-requisites:</p> <p>AW 4.1 or Higher PET/CT Gating Interface Kit</p> <p>All Software Packages are Non-transferable to Other Hardware and are Non-returnable.</p>	
1	P50801FT	AW 4.1/4.2 Fusion PET/CT Software	\$24,240.00
		Allows 3D registration between two volumetric acquisitions, which may come from different acquisitions modalities (PET/CT or NM/CT).	
1	E8819K	VARIAN RPM RESP GATING	\$48,960.00
1	E8505P	CT LAP Laser Isocenter Marking System Consists of <p>Three Moveable Solid State Red Crosshair Lasers on a Computerized Rail for Marking Patients.</p> <p>Includes Rail System, Computerized Keypad/Display Terminal; Isomark Software; Computer System and Installation.</p> <p>Room Preparation Must be Sufficient for the Mounting of the Lasers</p>	\$35,196.00
1	E8007R	IVY ECG Monitor with Stand and Starter Kit	\$18,962.00
1	E8505MF	Radiation Therapy Planning (RTP) <p>Exact Couch for Discovery ST Systems. The Flat-Panel Table Top Locks Into the PET/CT Cradle Providing a Flat Surface for Accurate and Reproducible Patient Positioning. Consists of Exact Couch, Front Mounting Hardware and Latch Mounting Hardware</p>	\$10,200.00
1	P5851JB	PET/CT Gating Interface Kit for Discovery ST (Linux)	\$6,480.00
		Provides an interface to the Discovery ST for prospective gating of the PET and/or CT acquisitions. Only the Invivo 3500 CTP is supported for prospective cardiac gating of PET and CT. The Invivo	

017

3500 CTP ECG Monitor or one of the cardiac analysis packages that includes the Invivo 3500 CTP should be purchased in addition to this item for cardiac analysis applications.

PET/CT Operators Console Software for Prospective Gating License included. This item is for a Discovery ST System with the Xstream/GOC3 Console.

1 E8007MH EKG Simulator, 14 Lead, for Millennia 3500CT \$820.00

Cardiac PETCT Software and Hardware

1 S9112LW DST Platinum Cardiac Package (LINUX) \$145,440.00

The most complete PET/CT cardiac package that includes: HeartFusion Analysis, SmartScore, Snapshot, CardIQ II, and CardIQ Function packages. The package includes a new Invivo 3500 CTP EKG Monitor, CT Operator Console Software for Prospective Gating, PET/CT Gating Kit (software and hardware) for Discovery ST, CT 3500 Starter Kit, EKG Simulator Adaptor, and an EKG Simulator.

Multi Format Color Printer

1 E8200DS Codonics Horizon CI Multi-Media/Multi-Format Imager \$33,840.00

Codonics Horizon CI imager prints diagnostic quality medical images in multiple media sizes and types: 8 in. x 10 in. film and paper, 14 in. x 17 in. film and paper, A-size paper, 320 dpi, 4096 levels of gray. Prints both color and black/white images. For use with GE CT, MR, and Lunar products. CE Marked.

Marketing Kit

1 P5050ZA Discovery ST Jump Start Marketing Kit \$12,000.00

The Customer Marketing Kits include:

- \nowidct\par\fi-195\vi195\tx1170 Marketing and PR 101 (how to place an Ad, Sample Media plan, etc)
- \nowidct\par\fi-195\vi195 Marketing Materials (Posters, Billboard Ads, Print Ads, Radio Ads, Telephone hold message, and more)
- Referring Physician promotion items (direct mail, open house, letters)
- Patient Brochure (what to expect from your exam)
- Press Release Sample and Product video for the media
- \fi-195\vi195 Product Fact Sheet and Brochure

PRICING PROPOSAL

General Electric Company is pleased to submit this Pricing Proposal for budgetary purposes only. This Pricing Proposal will be valid until January 08, 2006, unless otherwise indicated herein. If you would like to place an order for the equipment listed herein, your GE Sales Representative will arrange for the preparation and submission to you of a formal GE Quotation, including applicable GE Terms and Conditions, Warranties, and Payment Terms.

018

for your consideration. Only a formal GE Quotation may be used to create a binding order for this equipment. Upon request, your GE Sales Representative can also provide you with information concerning GE training, lease/finance and service agreement options.

"GE Company Proprietary and Confidential"



One Medrad Drive
Indianola, PA 15051-0780
Phone: (412) 767-2400
Fax: (412) 767-4120
www.medrad.com

Quotation

Quote No : 20069579

Page: 1 of 5

Date: 11/23/2005

Customer No: 1322630

Quote To:

JEFFERSON X-RAY
941 FARMINGTON AVENUE
WEST HARTFORD CT 06107
USA

Validity Period: 11/23/2005 until 12/15/2005

We deliver according to the following terms and conditions:

Terms of payment: Net 30 from date of invoice

Terms of delivery: Prepaid & Added FOB SHIPPING POINT

Currency: USD

Attn: Holly Lafreniere
email: hlafraniere@jxray.com

Odd Rossman
MEDRAD Sales Representative

Item	Description	Qty	Unit Price	Extended Price
1	SCT 222 Stellant D Injector System w/ Dual Flow % Discount from Net Discount (Value) Net Value for Item *Additional discount reflects trade-in of EZEM Injector	1EA	43,500.00	43,500.00 17,400.00- 1,500.00- 24,600.00
2	EOC 700 S OCS CONF, SHORT CEIL MNT, STD HORZ ARM	1EA		
3	SDC 700 25 ASSY., CABLE, BASE TO DISPLAY, 25FT	1EA		
4	SHC 700 75 Head Extension Cable, 75 ft, Stellant Single/Dual	1EA		
5	EPC 700A North American Style Power Cord	1EA		
	78101-00-BM-01 Product Info Pack, 110V	1EA		

Beginning on or after July 18, 2005, shipments from different warehouses will result in multiple invoices.

Please reference the quote number on your PO and fax to 412-767-4120 for domestic orders or 412-767-1312 for international orders



Care Medrad Drive
Indianola, PA 15051-0780
Phone: (412) 767-2400
Fax: (412) 767-4120
www.medrad.com

Quote No: 20069579

Page: 2 of 5
Date: 11/23/2005

Quote To:

JEFFERSON X-RAY
941 FARMINGTON AVENUE
WEST HARTFORD CT 06107
USA

Item	Description	Qty	Unit Price	Extended Price
7	SOM 700 EN Manual, Operation, Stellant (English)	1EA		
8	INS SCT INSTALLATION - STELLANT INJECTOR SYSTEM	1EA	1,800.00	1,800.00
Sub Total				26,400.00
Total				26,400.00

Dual Flow Injector

Pricing is valid as long as customer is a committed member of quoted affiliation.

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Page: 3 of 5
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MEDRAD PRODUCT TERMS AND CONDITIONS

1. **Modifications.** The prices and terms on this Quote are not subject to verbal changes or other agreements unless approved in writing by MEDRAD's Home Office. MEDRAD is not responsible for typographical errors.

2. **Acceptance.** MEDRAD's products and services are sold only under the terms and conditions stated on this quotation. Acceptance of any Purchase Order is expressly and exclusively made conditional on your assent to these terms and conditions. Any different or additional terms and conditions that may appear in your Purchase Order or any other document sent by you, shall have no effect. MEDRAD expressly objects to and rejects all inconsistent or additional terms, conditions and limitations contained on any of your forms or other writings. If you do not communicate your objection to these terms and conditions in writing and within a reasonable time, or if you accept the goods covered by this Quote, you will be deemed to have accepted these terms and conditions and they will control in all instances. If the Products include embedded software or if you are purchasing software, BY HAVING THE SOFTWARE INSTALLED AND USING THE SOFTWARE PURCHASED HEREUNDER, YOU AGREE TO BE BOUND BY THE TERMS OF THIS AGREEMENT. IF YOU DO NOT AGREE TO THE TERMS OF THIS QUOTE, DO NOT INSTALL OR USE THE SOFTWARE AND NOTIFY MEDRAD IMMEDIATELY.

3. **Pricing.** Prices are based on costs and conditions existing on the date of this Quote and may be changed by MEDRAD before final acceptance. The pricing for products provided pursuant to this Quote may reflect or be subject to discounts, rebates, or other price reduction programs. Please be advised that you are obligated to: a) fully and accurately disclose the amount of any such discounts, rebates, or other price reductions in your cost reports or claims for reimbursement to Medicare, Medicaid, or health care programs requiring such disclosure and b) provide such documentation to representatives of the Secretary of the Department of Health and Human Services and state agencies upon request. Unless noted otherwise, the value of any product listed as \$0.00 on this Quote may constitute a discount that you should evaluate when filing such reports. You may request additional information from MEDRAD in order to meet your reporting or disclosure obligations, by writing to the address set forth in this Quote. All payments are due net thirty (30) days on the total invoiced amount. MEDRAD's Home Office must approve any payment terms other than net thirty (30) days.

4. **Shipping.** All shipping dates are tentative. MEDRAD will make every reasonable effort to meet shipping dates referenced in this Quote. However, MEDRAD will not be liable for its failure to meet any such date.

5. **Installation.** The cost of installation is not included in the product price and is your responsibility unless otherwise stated. For details on equipment installation, you should consult with your MEDRAD Sales Representative or refer to your Products Manual, which is included with your equipment.

6. **License.** If the Products include embedded software, or if you are purchasing software, MEDRAD grants to you a non-exclusive license to use any software embedded in the Products provided by MEDRAD, solely to operate the Products. Use of the software for any other purpose is strictly prohibited. This license is effective on the date you begin using the Products and software and will continue in effect unless you return the Products or if the license is terminated because you breach any provision of these Terms. Upon termination you shall immediately cease use of all software and shall return the Products and software to MEDRAD. The software copyright is owned by MEDRAD and is protected by United States copyright laws and international treaty provisions. MEDRAD does not transfer title to the software to you, but retains the rights to make and license the use of all copies. You shall not copy, translate, disassemble, or decompile nor create or attempt to create, by reverse engineering or otherwise, the source code from the object code of the software. You are not permitted to modify or make derivative works of the software and ownership of any unauthorized modification or derivative work shall vest in MEDRAD.

7. **Warranty.** MEDRAD warrants that all new MEDRAD products are free from defects in workmanship or material under proper, normal use and service for a period of one year (12 months) from shipment, unless a longer period is provided on the warranty with the products, or as otherwise provided herein.

This Quote includes a Monitor or Musicbox system, peripheral accessories on the Monitor and Musicbox such as pulse oximeter sensors, extension cables, power cables, fiber optic cables, ECG leads, capnography accessories (excluding patient connections), blood pressure cuffs, batteries,

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Page: 4 of 5
Date: 11/23/2005

headsets, ear tips, ear cushions, and extension tubing are warranted for a period of 90 days from the date of installation, but not to exceed six months from the date of shipment.

If this Quote includes disposable products or angiographic catheters, MEDRAD's warranty shall be limited to repair or replacement of any defective disposable product or angiographic catheter upon receipt of the defective product and a MEDRAD Return Goods Authorization. You acknowledge that the disposables and the equipment are a system and your actions regarding your equipment may invalidate your warranty on the disposables.

During the warranty period, there shall be no charge for any action deemed necessary by MEDRAD, including parts, travel, or labor to fulfill the terms of the warranty, during local business hours of 8:30 a.m. to 5:00 p.m., Monday through Friday, except holidays.

Your actions may invalidate this warranty. If MEDRAD determines that an equipment or disposable problem is due to any of the following, you agree to pay MEDRAD for all labor, travel, material handling and shipping at MEDRAD's, or MEDRAD's agents, standard rates:

- a) Malfunction or damage due to spillage of any type of fluid in or on the unit.
- b) Malfunction due to operator error, including failing to follow specified provisions of the Operations Manual.
- c) Malfunction or damage due to unauthorized modification or repair. Unauthorized actions may jeopardize operation, operator and patient safety and reliability. Therefore any unauthorized modification or repair shall render this warranty void and relieve MEDRAD from any further obligation. MEDRAD must review and authorize all modifications and repairs. This service may be obtained by contacting the MEDRAD Service Department.
- d) Damage by fire, floods, or other disaster commonly known as "Acts of God".
- e) If the Products include any Counterpoise system, any system malfunction, damage or failures due to improper installation or not meeting MEDRAD's specific requirements for level and plumb and/or loading as specified in the MEDRAD manuals.
- f) If the Products include any Counterpoise system, any ceiling or wall support structure used to mount or support an Injector Head Counterpoise System is excluded from MEDRAD's warranty. MEDRAD does not in any way warrant such structure.

8. Warranty Exclusions. EXCEPT AS PROVIDED IN THE ABOVE WARRANTY SECTION, MEDRAD EXPRESSLY DISCLAIMS ALL WARRANTIES OR CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE (WHETHER OR NOT MEDRAD IS AWARE OF YOUR INTENDED USE OF THE PRODUCT), AND ALL SUCH WARRANTIES ARE EXPRESSLY EXCLUDED. IN NO EVENT SHALL MEDRAD BE LIABLE FOR ANY LOST PROFITS OR INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE USE OR OPERATION OF MEDRAD's PRODUCT OR SERVICE. IN NO EVENT IS MEDRAD RESPONSIBLE FOR DAMAGES THAT EXCEED THE PAYMENT, IF ANY, RECEIVED BY MEDRAD FOR THE PRODUCT OR SERVICE FURNISHED, OR TO BE FURNISHED, PURSUANT TO THIS QUOTE. Some states do not allow the exclusions on limitation of incidental or consequential damages, so the above limitations may not apply. This Limited Warranty gives you specific legal rights and you may also have other rights.

9. Software Warranty. If the Products include embedded software or if you are purchasing software, MEDRAD warrants that the software will substantially conform to the functional specifications contained in the Operations Manual for six months following delivery. This warranty shall not apply if you use the software in a manner that is not authorized or not in accordance with the user instructions or if you modify the Products or the software or if a party other than MEDRAD provides service to the Products or software. MEDRAD does not warrant that the software will operate uninterrupted or that it will be free from minor defects or errors that do not materially affect its performance. Your sole and exclusive remedy for any damages or loss in any way connected with the software whether due to MEDRAD's negligence or breach of any other duty shall be, at MEDRAD's option: i) to bring the performance of the software into substantial compliance with the functional specifications or ii) return of an appropriate portion of any payment by you with respect to the portion of the software that is not functioning.

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Page: 5 of 5
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10. **Force Majeure.** MEDRAD will not be responsible for delays or non-performance directly or indirectly caused by any acts of God, fire, explosion, flood, war, accident, action by governmental authority, inability to procure supplies and raw materials, delays in transportation, work stoppage, court order, and other causes beyond MEDRAD's reasonable control.

11. **Compliance With Laws.** In addition to any rights and remedies specifically identified here in this Quote, MEDRAD shall have all rights and remedies conferred by law. MEDRAD shall not be required to perform its obligations under this Quote if you have defaulted (e.g. failed to pay) under this Quote or any other contract involving MEDRAD. This Agreement shall be construed in accordance with the laws of the Commonwealth of Pennsylvania, United States of America.

12. **Codes.** MEDRAD has informed you that it has adopted the AdvaMed Code of Ethics (the "AdvaMed Code") and MEDRAD's Code of Business Conduct. You agree to act in a manner consistent with MEDRAD's Code of Business Conduct (as it applies to customers or business partners) and the AdvaMed Code in connection with your obligations under this Quote. The AdvaMed Code and MEDRAD's Code of Business Conduct can be found at www.advamed.org and www.medrad.com.

13. **HIPAA.** MEDRAD represents that it is not a Business Associate as defined in the Health Insurance Portability and Accountability Act ("HIPAA"). The functions MEDRAD is required to perform hereunder do not require the use or disclosure of Protected Health Information ("PHI"). To the extent any disclosure of PHI does occur, it is incidental and covered under the incidental disclosure rule found in 45 CFR 164.502(a)(1). In addition, to the extent any such incidental disclosure does occur, MEDRAD agrees to keep all such information confidential.

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